

**COMMONWEALTH OF MASSACHUSETTS  
OFFICE OF CONSUMER AFFAIRS & BUSINESS REGULATION  
DIVISION OF ENERGY RESOURCES**

**MASSACHUSETTS  
RENEWABLE ENERGY PORTFOLIO STANDARD**

**ADJUSTMENT OF THE COMPLIANCE YEAR 2004  
ALTERNATIVE COMPLIANCE PAYMENT (ACP) RATE**

**January 29, 2004**

The Massachusetts Renewable Energy Portfolio Standard regulations at 225 CMR 14.08(4)(a)2, provide that the Division of Energy Resources “shall publish the ACP Rate by January 31 of the Compliance Year. The ACP Rate shall be equal to the previous year's ACP Rate adjusted up or down according to the previous year's Consumer Price Index.”

The ACP Rate for Compliance Year 2003 was established in the regulations at \$50.00 per MWh.

The Consumer Price Index (CPI)<sup>1</sup> for 2003 is 193.5, up from 188.2 in 2002, which is an increase of 2.82 %<sup>2</sup>.

Therefore, the ACP Rate for Compliance Year 2004 is determined<sup>3</sup> to be \$51.41 per MWh. The adjusted ACP rate determination is summarized in the table below.

Year	CPI	ACP Rate
2002	188.2	n/a
2003	193.5	\$50.00
2004		\$51.41

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<sup>1</sup> For this purpose, the DOER is using the CPI for All Urban Consumers, Northeast Region, All Items, Not Seasonally Adjusted. Source: U.S. Bureau of Labor Statistics

<sup>2</sup> Calculated as  $(193.5/188.2) - 1 = 2.82\%$

<sup>3</sup> Calculated as  $\$50.00 \times 1.0282 = \$51.41$